

# Educational Loan Notes

Michigan Guaranty Agency

Michigan Higher Education Assistance Authority

March 2002

## Are You Considering the Use of E-Signature?

The *Electronic Signatures in Global and National Commerce Act* (Public Law 106-229), also called the E-Sign Act, grants electronic records the same legal effect, validity, and enforceability as their paper counterparts. In conjunction with the Government Paperwork Elimination Act (GPEA), higher education institutions and other financial aid providers can deliver financial aid completely electronically. The U.S. Department of Education (ED) published voluntary standards for the Federal Family Education Loan Program (FFELP) and the Federal Perkins Loan Program in Dear Partner Letter GEN-01-06 (April 30, 2001). Some industry partners are implementing these standards, while others believe that they create a higher standard than the current "wet signature" process and are creating their own standards.

MGA is ready to support electronic signature using the process developed by our service provider, Sallie Mae.™ We are currently contacting our lender partners for approval to guarantee loans signed via this method and are ready to assist schools in developing an electronic signature implementation schedule.

Sallie Mae's electronic signature process meets the provisions of both the E-Sign Act and the Higher Education Act. This process relies on the existing financial aid processes of school certification of eligibility and attendance and the disbursement of funds to the school for distribution to the student to authenticate the borrower. A series of "click-through" screens on their Web-based loan delivery products provide borrowers with their electronic signature and promissory note rights and responsibilities, obtain consent to electronically sign, and capture the borrower's electronic signatures. At each step in the process, borrowers can "opt out" and follow the paper or "wet signature" process. Borrowers also can print and review the information that is displayed on each screen.

Schools must provide online loan applications using either Laureate® or NetWizard™ to implement Sallie Mae's process. Schools can use their school-based management systems or WhizKid® to transmit records to pre-populate on-line applications. Schools should evaluate their current loan processing procedure to determine whether the electronic signature process will necessitate other changes to their loan processing, e.g. schools should consider whether a school-initiated or a borrower-initiated scenario will work best for them and their borrowers. Implementing an electronic signature process will not impact pre-origination activities, disbursement, account maintenance, repayment, or collections. Only the loan origination process will change.

MGA is working with interested schools and lenders to complete the electronic signature set-up. Schools and lenders that would like more information or want to implement the electronic signature set-up process may contact Janet McKeown at ext. 51723 or via e-mail at [mckeownj@michigan.gov](mailto:mckeownj@michigan.gov).

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*Educational Loan Notes is a monthly news publication of the Michigan Department of Treasury – Michigan Guaranty Agency for members of the financial aid community in Michigan. Questions or comments can be sent to Jim Peterson, editor, Michigan Guaranty Agency, School Services Unit, P.O. Box 30047, Lansing, Michigan 48909-7547, or call 1-800-642-5626 extension, 36944 or via email [petersonj@michigan.gov](mailto:petersonj@michigan.gov).*

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*The mission of the Michigan Guaranty Agency is to provide Michigan residents with optimum access to postsecondary educational opportunities through low-interest, long-term educational loans.*



## Credit Bureau Reporting

A lender or lender servicer is required by federal law to report to at least one national credit bureau:

- The total amount of loans the lender has made to the borrower within 90 days of the disbursement;
- The outstanding balance of the borrower's FFELP loans held by the lender;
- Repayment status of delinquent loans (to be reported at least quarterly);
- The date the loan is fully repaid or discharged due to the borrower's death, bankruptcy, or total and permanent disability within 90 days;
- **For closed school or false certification discharges, the lender or lender servicer must report within 30 days of receipt of notification. In addition, the lender must notify all credit bureaus to which any adverse credit has been reported that the loan obligation has been discharged and that the adverse credit information must be corrected.**

The regulation on credit bureau reporting can be found in §682.208(b) of the Integrated Regulations or in [\*Common Manual\*](#) section 8.3.E. If you have any questions regarding these issues, please contact Judy Byrnes at ext. 34619 or via e-mail at [byrnesj@michigan.gov](mailto:byrnesj@michigan.gov).

## MGA Spring School Workshops

Mark your calendar for the MGA 2002 Spring School Workshops. Workshops are scheduled for Wednesday, May 22, 2002, at the Crowne Plaza Hotel, Grand Rapids, and Thursday, May 23, 2002, at the St. John's Golf and Conference Center, Plymouth. Agenda topics under consideration are:

### Policy and Regulatory Update

Get the latest policy and regulatory information including interest rates, FED UP, Distance Education, Pell Grants, using the *Common Manual*, and updates on federal financial aid programs.

### NSLDS

The National Student Loan Data System (NSLDS) continues to improve and provide the financial aid office with valuable financial aid history on student recipients. Join us to gain an in-depth overview of how the system works as we discuss the what's, why's, and how's of this very important financial aid tool.

### Federal Methodology

Many are puzzled on how to report the prepaid tuition plans on the Free Application for Federal Student Aid (FAFSA). This session will answer this question and show how tuition plans affect the student's Expected Family Contribution (EFC). In addition we will clarify how to resolve "C" code issues.

### Electronic Signature Update

From the award letter to a valid promissory note, track a loan award through the electronic loan application process.

## Professional Judgment

Back by popular demand, this important financial aid discussion will briefly look at the various professional judgment categories allowed, and provide tips on how best to administer the growing number of requests on your campus. Workshop participants will work through professional judgment scenarios and discuss possible solutions.

### Exit Loan Counseling Sessions for Groups

Do you prefer group interviews, individual student sessions, or the new online counseling sessions to meet your students' exit loan counseling needs? There is a lot of information available to financial aid staff to support these efforts. Workshop participants also will be asked to share their "best practices."

Registration forms will be distributed in early April. For additional information please contact the School Services Unit at ext. 36074.

## Common Manual Updates

The fifty-ninth set of *Common Manual* updates was mailed in February to MGA clients. These updates represent a number of policy and wording changes approved by the Governing Board on January 24, 2002.

- Assignment of Loans
- Exceeding Loan Limits and Title IV Eligibility
- Forbearance Documentation
- Default Claims
- Ineligible Claims

*(Continued on the next page.)*

If you have any questions about this or past mailings of *Common Manual* changes or updates, please contact Susie Gibson at ext. 56769 or via e-mail at [gibsons@michigan.gov](mailto:gibsons@michigan.gov).

## DRCC Address Change

Please note that ED's Document Receipt and Control Center (DRCC) address has changed. If schools need to send in documents such as supporting documentation for the e-application, compliance audits, financial statements, or extension letters, the address to send to for regular mail and commercial overnight delivery is:

U.S. Department of Education  
Case Management and Oversight  
Data Management and Analysis  
Division  
Document Receipt and Control  
Center  
830 First Street, NE, Room 7111  
Washington, DC 20002-5042

## Economic Hardship Deferment Form

The updated Economic Hardship Deferment Form and corresponding worksheets have been posted to the National Council of Higher Education Loan Programs' (NCHERP) Web site at [www.nchelp.org](http://www.nchelp.org) in the ["What's New"](#) Section.



## Entrance and Exit Student Loan Interview Forms

Attached to this issue of *Educational Loan Notes* are MGA's new Student Loan Entrance and Student Loan Exit Interview Forms. Based on suggestions from financial aid officers, the former Entrance/Exit Interview Form has been separated into two forms.

The new forms can be ordered on-line using the "Request for MGA Supplies" on-line order form provided by USA Group/Sallie Mae. Sallie Mae is in the process of moving the USA Group Web site to its own (Sallie Mae) site. As soon as the migration is complete, we will provide quick reference cards for ordering MGA supplies.

## August 1, 2002 - National Default Prevention Day

ED and the education loan industry are planning August 1, 2002, activities to mark National Default Prevention Day. This is the second year for the event. Last year, special activities occurred August 2, 2001, in Washington, DC, and the ten cities with ED regional offices.

This year, preliminary plans call for activities from 9:00 a.m. to 4:00 p.m. in Atlanta, Boston, Chicago, Dallas, Denver, Kansas City, New York, Philadelphia, San Francisco, Seattle, Washington, and Puerto Rico. Details will be available closer to the event on ED's "Information for Financial Aid Professionals" Web site at [www.ifap.ed.gov](http://www.ifap.ed.gov).

## Lender List Updates

School personnel should record the following actions on the "Participating Lender List" dated October 16, 2001. Please make the appropriate changes in all sections of the list as needed. If you have any questions regarding these updates, please contact the Lender Services Unit, ext. 36076.

### Institution Name Change

**Great Lakes Community Credit Union, 832581**, changed their name to Rivers Edge Community Credit Union.

**Saginaw Farm Bureau Credit Union, 831944**, changed their name to Town and Country Family Credit Union.

### Joined Referral Program

**Alpha-Crystal Falls Community Federal Credit Union** has joined the Comerica referral loan program under lender code 813128. Their address is c/o Nelnet, Inc., P.O. Box 64693, St. Paul, MN 55164. Telephone: 888-486-4722.

**Kalamazoo Postal Federal Credit Union** has joined the Comerica referral loan program under lender code 826875. Their address is c/o Nelnet, Inc., P.O. Box 64693, St. Paul, MN 55164. Telephone: 888-486-4722.

**Macatawa Bank** has joined the Standard Federal referral loan program under lender code 221009. Their address is c/o Nelnet, Inc. P.O. Box 64693, St. Paul, MN 55164. Telephone: 888-486-4722.

### Termination of Lenders

The following lenders are no longer originating student loans. Please delete them from your list.

**Harbor Beach Community Federal Credit Union, 830835**  
**Northwestern Area Credit Union, 824866**

## School List Updates

The following changes should be recorded by lenders on MGA's "Active Michigan School List" dated January 17, 2002. If you have any questions regarding these changes, please contact our School Services Unit, ext. 36074.

### Address, Telephone, and Fax Number Change

#### **Academy of Court Reporting, 021521-03, Southfield**

Please update your list to reflect this new information. Address: 1330 West 14 Mile Road, Clawson, MI 48017. Telephone: 248-435-9030. Fax: 248-435-8570.

### Contact Name Change

#### **SER Business and Technical Institute, 026099-00, Detroit**

Change Tonya Betts, Financial Aid Officer, to Laura Fante, Financial Aid Officer.

#### **Hillsdale Beauty College, 025957-00, Hillsdale**

Change Judy Smith, Financial Aid Officer, to Gerald Kwiatkowski, Owner.

## "Q" AND "A"

### **Q. What does it mean to sign a document electronically?**

- A. An electronic signature process allows a person to view a document on-line, exactly as it would appear in its paper form, review the document, and then agree to the terms and conditions of the document by taking some "action" through the system. This "action" could be pressing a button, typing a name, or entering a secret Personal Identification Number (PIN) or code. The process of viewing the document and then taking a particular action establishes the person's *intent* to sign the document electronically. Establishing *intent* is one of the key components of any electronic signature process.

### **Q. How do you know that the person signing the document is who they say they are?**

- A. *Authentication* is another key component of the electronic signature process and it can be done in a number of ways. Mechanisms include the use of a PIN, password, shared secret, validation by a trusted third party, or the use of existing proven processes.

In the current student loan paper or "wet signature" process, the industry relies on a rigorous financial aid process to authenticate the borrower. Two key and final steps in this process are:

- School certification of eligibility and attendance.
- Disbursement of funds to the school for distribution to the student.

This process has proven to be an effective method for authentication that can be applied to the electronic signature process. The result is a standard, common process across both signature types with no additional burden to the school or changes to its existing ways of doing business.

### **Q. What is MGA's process for electronic signatures?**

- A. MGA's process for electronic signatures is facilitated through our service provider, Sallie Mae. To establish a borrower's *intent* to sign electronically, Sallie Mae will use a series of "click-through" screens on their Web-based (NetWizard or Laureate) loan delivery products. These screens provide a borrower with their electronic signature rights and responsibilities, obtain the borrower's consent to electronically sign, display the promissory note rights and responsibilities, and capture the borrower's electronic signature. At each step in the process, the borrower can "opt out" and follow the paper or "wet signature" process. The borrower can print and review the information that is displayed on each screen.

*(Continued on the next page.)*



To participate in the Sallie Mae model, each lender will have to agree to the electronic signature process. Even then a school may elect not to allow its students to participate.

- If electronic signature via Sallie Mae is an option, the borrower will access either NetWizard or Laureate through the school's Web site to complete an application. After completing the application, the borrower will be given the option to sign the document electronically.
- If the borrower chooses to proceed with an electronic signature, they will be presented with a screen disclosing their rights and responsibilities under the E-Sign legislation. By clicking a "consent" button, the borrower acknowledges that they understand this information and agrees to move forward with electronically signing the document.
- The borrower is next presented with the rights and responsibilities as they appear on the paper promissory note. By clicking the "consent" button, they acknowledge that they have read this information, understand the information, and wish to continue with the electronic signature process.
- The last screen that a borrower sees in the electronic signature process states that the borrower is about to electronically sign the document. To complete the process, the borrower must type in their full name and click the "consent" button.
- The borrower's typed name, the date of the signature, and a onetime unique identifier are placed in the signature line of the document. The borrower can print the application or have Sallie Mae print and forward a copy to them.

To *authenticate* the borrower, the Sallie Mae process relies on the existing financial process of school certification of eligibility and attendance and the disbursement of funds to the school for distribution to the student.

**Q. Can schools use WhizKid in the electronic signature process?**

- A. Schools can use their school-based management systems or WhizKid to transmit records to pre-populate on-line applications.

**Q. Is the Sallie Mae process compliant with the E-Sign legislation?**

- A. The Sallie Mae process is fully compliant with all of the provisions established by the E-Sign legislation.

**Q. Has Sallie Mae incorporated recommendations from the ED "standards" document into its electronic signature process?**

- A. The Sallie Mae electronic signature process incorporates a number of the recommendations made by ED. These include disclosure of a borrower's rights and responsibilities, obtaining consent to perform electronic signature, and the methods or procedures used to store and safeguard electronically signed documents. Sallie Mae did not incorporate ED's recommendations regarding borrower authentication because they would introduce additional complexity and time into the process without any appreciable benefits over the existing process of school certification and distribution of funds.



# Calendar of Upcoming Events

## March 2002

- 31 Deadline – Audits for lenders with FFELP loans totaling more than \$5 million – fiscal year ending September 30, 2001.

## April 2002


- 24-26 MBA Operations and Technology Conference  
Crowne Plaza Hotel  
Grand Rapids, MI

## May 2002

- 7 Guaranty Agency Advisory Committee Meeting  
MAC  
East Lansing, MI
- 22 MGA Spring School Workshop  
Crowne Plaza Hotel  
Grand Rapids, MI
- 23 MGA Spring School Workshop  
St. John's Golf and Conference Center  
Plymouth, MI
- 27 MGA Offices closed

If you need further information or wish to submit items for the calendar, please contact Jim Peterson, Editor, at ext. 36944, or via e-mail at [petersonj@state.mi.us](mailto:petersonj@state.mi.us)





## MGA's Telephone Numbers for Customer Services and Default Prevention

To expedite this service please begin with the phrase,  
"I would like information from the Michigan database."

Customer Services	Default Prevention Services
For Schools and Lenders 1-800-824-7044	For Schools and Lenders 1-317-578-6916
For Borrowers 1-877-872-4768	For Borrowers 1-800-635-3786



Questions? Call MGA at 1-800-642-5626.



# STUDENT LOAN ENTRANCE INTERVIEW FORM

Name (Please print clearly)

Social Security Number

Permanent Street Address

Permanent E-mail Address

City/State

Zip Code

Permanent Telephone

Street Address while in school (if different from permanent)

E-mail at School

City/State

Zip Code

Telephone at School

School Name

Expected year of graduation / date to complete program

I understand the following information about my student loan(s):

- ☐ I may only use my loan for educational expenses.
- ☐ I must repay my loans(s), including accrued interest and any deducted fees.
- ☐ I must repay the full amount of my loan(s) even if I don't complete my education, if I am dissatisfied with my education, if I do not receive the educational or other services that I purchased from the school, or if I am unable to get a job after I complete my program.
- ☐ I must repay my loan(s) within 10 years, unless my loans are consolidated, or I have selected special repayment options, such as income-sensitive repayment, or have qualified for a deferment or forbearance.
- ☐ I may prepay all or part of my loan(s) without penalty.
- ☐ My minimum monthly payment will depend on the type of loan program and amount borrowed, but generally will not be less than \$50.

In most cases, repayment will begin as follows:

- Federal Subsidized Stafford Loans (owed to a lender) — Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
- Federal Unsubsidized Stafford Loans (owed to a lender) — Interest accrues immediately and must be paid monthly or quarterly unless deferred and capitalized (interest added onto principal), which can be done at the time of application. Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
- Federal Perkins Loan (owed to my school) — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.
- Health Professions Student Loan/Primary Care Loan — Principal and interest payments begin following a 12-month grace period after leaving school or dropping to less than half-time enrollment.
- Nursing Student Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.

- ☐ The prevailing interest rate, fees and repayment terms and conditions are specified in the loan application/promissory note and/or the loan disclosure statement.

- ☐ I must notify my lender (in the case of Perkins Loans, the school) or guarantor, if I:

- Change my name
- Change my address or phone
- Change my graduation date
- Change my Social Security number
- Transfer to another school
- Withdraw from school
- Enroll for less than half time or fail to enroll for the loan period certified

- ☐ I must notify my school of:

- Any change in local address during enrollment
- If I reduce my enrollment status to less than half time, withdraw, or fail to re-enroll at the end of a term.

- ☐ If I am in grace or repayment I will be notified, in writing, if any of my loans are transferred to another holder.

I must direct all future correspondence to that holder.

- ☐ If I qualify, I may apply for a deferment (a postponement of loan payments).

- ☐ If I do not qualify for a deferment and am unable to make payments on a loan, I may request forbearance from my lender/servicer.

Forbearance is a special arrangement made for borrowers experiencing financial hardship.

- ☐ If I fail to repay a loan, I may be considered in default and the following may result:

- My default status may be reported to a national credit bureau and have a negative effect on my credit rating for seven years.
- The entire unpaid amount of my loan, including interest, may become due and payable immediately.
- I may lose deferment and repayment options.
- My federal and state income tax refunds and other federal payments may be withheld.
- My wages may be garnished.
- I may be assessed collection costs, including attorney's fees.
- I may be ineligible to receive any further federal or state financial aid.
- I may be ineligible to obtain a state professional license in my field.

I have read and understand all the information on this form. I have completed all requested items truthfully and accurately. I have received loan counseling, including repayment options and debt-management information.

Student's Signature

Entrance Interview Date

Read this section carefully





# STUDENT LOAN ENTRANCE INTERVIEW FORM

Name (Please print clearly)

Social Security Number

Permanent Street Address

Permanent E-mail Address

City/State

Zip Code

Permanent Telephone

Street Address while in school (if different from permanent)

E-mail at School

City/State

Zip Code

Telephone at School

School Name

Expected year of graduation / date to complete program

I understand the following information about my student loan(s):

- ☐ I may only use my loan for educational expenses.
- ☐ I must repay my loans(s), including accrued interest and any deducted fees.
- ☐ I must repay the full amount of my loan(s) even if I don't complete my education, if I am dissatisfied with my education, if I do not receive the educational or other services that I purchased from the school, or if I am unable to get a job after I complete my program.
- ☐ I must repay my loan(s) within 10 years, unless my loans are consolidated, or I have selected special repayment options, such as income-sensitive repayment, or have qualified for a deferment or forbearance.
- ☐ I may prepay all or part of my loan(s) without penalty.
- ☐ My minimum monthly payment will depend on the type of loan program and amount borrowed, but generally will not be less than \$50.

In most cases, repayment will begin as follows:

- Federal Subsidized Stafford Loans (owed to a lender) — Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
- Federal Unsubsidized Stafford Loans (owed to a lender) — Interest accrues immediately and must be paid monthly or quarterly unless deferred and capitalized (interest added onto principal), which can be done at the time of application. Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
- Federal Perkins Loan (owed to my school) — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.
- Health Professions Student Loan/Primary Care Loan — Principal and interest payments begin following a 12-month grace period after leaving school or dropping to less than half-time enrollment.
- Nursing Student Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.

- ☐ The prevailing interest rate, fees and repayment terms and conditions are specified in the loan application/promissory note and/or the loan disclosure statement.

- ☐ I must notify my lender (in the case of Perkins Loans, the school) or guarantor, if I:

- Change my name
- Change my address or phone
- Change my graduation date
- Change my Social Security number
- Transfer to another school
- Withdraw from school
- Enroll for less than half time or fail to enroll for the loan period certified

- ☐ I must notify my school of:

- Any change in local address during enrollment
- If I reduce my enrollment status to less than half time, withdraw, or fail to re-enroll at the end of a term.

- ☐ If I am in grace or repayment I will be notified, in writing, if any of my loans are transferred to another holder.

I must direct all future correspondence to that holder.

- ☐ If I qualify, I may apply for a deferment (a postponement of loan payments).

- ☐ If I do not qualify for a deferment and am unable to make payments on a loan, I may request forbearance from my lender/servicer.

Forbearance is a special arrangement made for borrowers experiencing financial hardship.

- ☐ If I fail to repay a loan, I may be considered in default and the following may result:

- My default status may be reported to a national credit bureau and have a negative effect on my credit rating for seven years.
- The entire unpaid amount of my loan, including interest, may become due and payable immediately.
- I may lose deferment and repayment options.
- My federal and state income tax refunds and other federal payments may be withheld.
- My wages may be garnished.
- I may be assessed collection costs, including attorney's fees.
- I may be ineligible to receive any further federal or state financial aid.
- I may be ineligible to obtain a state professional license in my field.

I have read and understand all the information on this form. I have completed all requested items truthfully and accurately. I have received loan counseling, including repayment options and debt-management information.

Student's Signature

Entrance Interview Date

Read this section carefully



# STUDENT LOAN EXIT INTERVIEW FORM

Name (Please print clearly) Social Security Number

Expected Permanent Address Street Apt.

City/State Zip Code Permanent Telephone

School Name E-mail Address

I understand the following information about my student loan(s):

- ☐ I must repay my loans(s), including accrued interest and any deducted fees.
- ☐ I must repay my loan(s) even if I don't complete my education, if I am dissatisfied with my education, or if I am unable to get a job after I complete my program.
- ☐ I must repay my loan(s) within 10 years, unless my loans are consolidated, or I have selected special repayment options, such as income-sensitive repayment, or have qualified for a deferment.
- ☐ I may prepay all or part of my loan(s) without penalty.
- ☐ My minimum monthly payment will depend on the type of loan program and amount borrowed, but generally will not be less than \$50.
  - In most cases, repayment will begin as follows:
    - Federal Subsidized Stafford Loans — Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
    - Federal Unsubsidized Stafford Loans — Interest accrues immediately and must be paid monthly or quarterly unless deferred and capitalized (interest added onto principal), which can be done at the time of application. Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
    - Federal Perkins Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time attendance.
    - Health Professions Student Loan/Primary Care Loan — Principal and interest payments begin following a 12-month grace period after leaving school or dropping to less than half-time enrollment.
    - Nursing Student Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.
- ☐ The prevailing interest rate, fees and repayment terms and conditions are specified in the loan application/promissory note and/or the loan disclosure statement
- ☐ I must notify my school and lender, if I:
  - Change my name
  - Change my address
  - Change my telephone number
  - Change my references
  - Change my Social Security number
  - Transfer to another school
  - Change my employer
- ☐ I will be notified, in writing, if any of my loans are transferred to another holder. I must direct all future correspondence to that holder.
- ☐ If I qualify, I may apply for a deferment (a postponement of loan payments).
- ☐ If I do not qualify for a deferment and am unable to make payments on a loan, I may request forbearance from my lender. Forbearance is a special arrangement made for borrowers experiencing financial hardship.
- ☐ If I fail to repay a loan, I may be considered in default and the following may result:
  - My default status may be reported to a national credit bureau and have a negative effect on my credit rating for seven years.
  - The entire unpaid amount of my loan, including interest, may become due and payable immediately.
  - I may lose deferment and repayment options.
  - My federal and state income tax refunds and other federal payments may be withheld.
  - My wages may be garnished.
  - I may be assessed collection costs, including attorney's fees.
  - I may be ineligible to receive any further federal or state financial aid.
  - I may be ineligible to obtain a state professional license in my field.

Expected Employer	Address	City/State/Zip	Telephone
			( )
Name of Nearest Relative	Relationship	Address	City/State/Zip
			Telephone
			( )
Personal Reference	Relationship	Address	City/State/Zip
			Telephone
			( )
Personal Reference	Relationship	Address	City/State/Zip
			Telephone

I have read all the information on this form and understand its meaning and intent. I have completed all requested items truthfully and accurately. I have received loan counseling, including repayment options and debt-management information.

Student's Signature Exit Interview Date



# STUDENT LOAN EXIT INTERVIEW FORM

Name (Please print clearly) Social Security Number

Expected Permanent Address Street Apt.

City/State Zip Code Permanent Telephone

School Name E-mail Address

I understand the following information about my student loan(s):

- ☐ I must repay my loans(s), including accrued interest and any deducted fees.
- ☐ I must repay my loan(s) even if I don't complete my education, if I am dissatisfied with my education, or if I am unable to get a job after I complete my program.
- ☐ I must repay my loan(s) within 10 years, unless my loans are consolidated, or I have selected special repayment options, such as income-sensitive repayment, or have qualified for a deferment.
- ☐ I may prepay all or part of my loan(s) without penalty.
- ☐ My minimum monthly payment will depend on the type of loan program and amount borrowed, but generally will not be less than \$50.
  - In most cases, repayment will begin as follows:
    - Federal Subsidized Stafford Loans — Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
    - Federal Unsubsidized Stafford Loans — Interest accrues immediately and must be paid monthly or quarterly unless deferred and capitalized (interest added onto principal), which can be done at the time of application. Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
    - Federal Perkins Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time attendance.
    - Health Professions Student Loan/Primary Care Loan — Principal and interest payments begin following a 12-month grace period after leaving school or dropping to less than half-time enrollment.
    - Nursing Student Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.
- ☐ The prevailing interest rate, fees and repayment terms and conditions are specified in the loan application/promissory note and/or the loan disclosure statement.
- ☐ I must notify my school and lender, if I:
  - Change my name
  - Change my address
  - Change my telephone number
  - Change my references
  - Change my Social Security number
  - Transfer to another school
  - Change my employer
- ☐ I will be notified, in writing, if any of my loans are transferred to another holder. I must direct all future correspondence to that holder.
- ☐ If I qualify, I may apply for a deferment (a postponement of loan payments).
- ☐ If I do not qualify for a deferment and am unable to make payments on a loan, I may request forbearance from my lender. Forbearance is a special arrangement made for borrowers experiencing financial hardship.
- ☐ If I fail to repay a loan, I may be considered in default and the following may result:
  - My default status may be reported to a national credit bureau and have a negative effect on my credit rating for seven years.
  - The entire unpaid amount of my loan, including interest, may become due and payable immediately.
  - I may lose deferment and repayment options.
  - My federal and state income tax refunds and other federal payments may be withheld.
  - My wages may be garnished.
  - I may be assessed collection costs, including attorney's fees.
  - I may be ineligible to receive any further federal or state financial aid.
  - I may be ineligible to obtain a state professional license in my field.

Expected Employer	Address	City/State/Zip	Telephone
			( )
Name of Nearest Relative	Relationship	Address	City/State/Zip
			Telephone
			( )
Personal Reference	Relationship	Address	City/State/Zip
			Telephone
			( )
Personal Reference	Relationship	Address	City/State/Zip
			Telephone

I have read all the information on this form and understand its meaning and intent. I have completed all requested items truthfully and accurately. I have received loan counseling, including repayment options and debt-management information.

Student's Signature Exit Interview Date



# STUDENT LOAN EXIT INTERVIEW FORM

Name (Please print clearly) Social Security Number

Expected Permanent Address Street Apt.

City/State Zip Code Permanent Telephone

School Name E-mail Address

I understand the following information about my student loan(s):

- ☐ I must repay my loans(s), including accrued interest and any deducted fees.
- ☐ I must repay my loan(s) even if I don't complete my education, if I am dissatisfied with my education, or if I am unable to get a job after I complete my program.
- ☐ I must repay my loan(s) within 10 years, unless my loans are consolidated, or I have selected special repayment options, such as income-sensitive repayment, or have qualified for a deferment.
- ☐ I may prepay all or part of my loan(s) without penalty.
- ☐ My minimum monthly payment will depend on the type of loan program and amount borrowed, but generally will not be less than \$50.
  - In most cases, repayment will begin as follows:
    - Federal Subsidized Stafford Loans — Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
    - Federal Unsubsidized Stafford Loans — Interest accrues immediately and must be paid monthly or quarterly unless deferred and capitalized (interest added onto principal), which can be done at the time of application. Principal and interest payments begin following a six-month grace period after leaving school or dropping to less than half-time enrollment.
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    - Nursing Student Loan — Principal and interest payments begin following a nine-month grace period after leaving school or dropping to less than half-time enrollment.
- ☐ The prevailing interest rate, fees and repayment terms and conditions are specified in the loan application/promissory note and/or the loan disclosure statement
- ☐ I must notify my school and lender, if I:
  - Change my name
  - Change my address
  - Change my telephone number
  - Change my references
  - Change my Social Security number
  - Transfer to another school
  - Change my employer
- ☐ I will be notified, in writing, if any of my loans are transferred to another holder. I must direct all future correspondence to that holder.
- ☐ If I qualify, I may apply for a deferment (a postponement of loan payments).
- ☐ If I do not qualify for a deferment and am unable to make payments on a loan, I may request forbearance from my lender. Forbearance is a special arrangement made for borrowers experiencing financial hardship.
- ☐ If I fail to repay a loan, I may be considered in default and the following may result:
  - My default status may be reported to a national credit bureau and have a negative effect on my credit rating for seven years.
  - The entire unpaid amount of my loan, including interest, may become due and payable immediately.
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			( )
Personal Reference	Relationship	Address	City/State/Zip
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			( )
Personal Reference	Relationship	Address	City/State/Zip
			Telephone

I have read all the information on this form and understand its meaning and intent. I have completed all requested items truthfully and accurately. I have received loan counseling, including repayment options and debt-management information.

Student's Signature Exit Interview Date